

UNITED STATES DISTRICT COURT  
IN THE EASTERN DISTRICT OF MICHIGAN

RLE INTERNATIONAL, INC., a Michigan Corporation,  
RTECH SERVICES, LLC, a Michigan Limited Liability Company,

Plaintiffs,

vs.

CODA AUTOMOTIVE INC., a Delaware Corporation,

Defendant,

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**COMPLAINT**

Plaintiffs, RLE INTERNATIONAL, INC. and RTECH SERVICES, LLC, for their  
Complaint against Defendant, CODA AUTOMOTIVE INC., says as follows:

**THE PARTIES**

**PLAINTIFFS**

1. RLE INTERNATIONAL, INC. is a Corporation organized and existing under the laws of the State of *Michigan* with its principal place of business in the State of *Michigan*.

2. RTECH SERVICES, LLC is a limited liability company organized and existing under the laws of the State of *Michigan* with its principal place of business in the State of *Michigan* (RLE International, Inc. and RTECH Services, LLC shall jointly be referred to as the “PLAINTIFFS”)

**DEFENDANT**

3. CODA AUTOMOTIVE INC. is a corporation organized and existing under the laws of the State of *Delaware* with its principal place of business in the State of *California* (hereinafter “CODA”).

4. Defendant caused damage and injury to Plaintiffs in Oakland County, Michigan.

**JURISDICTION**

5. Jurisdiction is proper in this Court based upon diversity of citizenship pursuant to 28 USC §1332(a)(1) as it involves a controversy between citizens of different states.

6. The matter in controversy exceeds the sum or value of \$75,000.00 exclusive of interest and costs.

**VENUE**

7. Venue is proper in the Eastern District of Michigan pursuant to 28 USC §1391 as a substantial part of the events giving rise to the claim occurred in Oakland County, Michigan located in the Eastern District of Michigan.

8. Venue is also proper in the Eastern District of Michigan pursuant to Section 18 of the Settlement Agreement, signed by and between all the parties under which the cause of action herein arises, stating “[t]he Parties agree that all disputes and matters arising under, in connection with, or incident to this Agreement shall be litigated, if at all, in and before a court located in

Oakland County, Michigan, to the exclusion of the courts of any other state or country, or, if otherwise appropriate, in the United States District Court for the Eastern District of Michigan.”

***Exhibit A.***

### **GENERAL ALLEGATIONS**

9. On January 25, 2013, Plaintiffs and CODA signed a Settlement Agreement in an attempt to resolve payment of outstanding invoices owed by CODA to the Plaintiffs without mediation, arbitration or judicial intervention. ***Exhibit A.***

10. Pursuant to the Settlement Agreement, CODA agreed to pay the Plaintiffs the sum total of Eight Hundred Fifty Thousand Twenty Nine and 15/100 US Dollars (\$850,029.15)<sup>1</sup> in monthly installments of Fifty Thousand and 00/100 US Dollars (\$50,000.00) beginning April 15, 2013 and ending August 15, 2014.<sup>2</sup> ***Exhibit A.***

11. CODA failed to pay its first installment on or before April 15, 2013 and did not cure its default within Five (5) business days after Plaintiffs gave notice of default via email to CODA representatives pursuant to the Settlement Agreement. ***Exhibit B***

12. In accordance with Section 2 of the Settlement Agreement, the entire Eight Hundred Fifty Thousand Twenty Nine and 15/100 US Dollars (\$850,029.15), less any payments made pursuant to the Settlement Agreement, shall become immediately due and payable if CODA fails to cure its default within Five (5) business days. ***Exhibit A.***

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<sup>1</sup> CODA is in arrears to RLE International, Inc. for Three Hundred Fifty Six Thousand Four Hundred Ninety and 59/100 US Dollars (\$356,490.59) and CODA is in arrears to RTECH Services, LLC for Four Hundred Ninety Three Thousand Five Hundred Thirty Eight and 56/100 US Dollars (\$493,538.56) for a total of Eight Hundred Fifty Thousand Twenty Nine and 15/100 US Dollars (\$850,029.15)

<sup>2</sup> The final August 15, 2013 installment payment was to be \$50,029.15 so that the sum total would be fully paid on or before that date.

**BREACH OF CONTRACT**

13. Plaintiffs hereby re-allege and restate paragraphs 9 through 12 of the General Allegations as if the same were restated verbatim herein.

14. CODA defaulted and breached the Settlement Agreement by failing to pay its first installment in conformity with the Settlement Agreement and failing to cure its breach within Five (5) business days after having been given notice of default via email.

15. As a direct and proximate result of Defendant's breach of the Settlement Agreement, Plaintiffs have been damaged and are owed Eight Hundred Fifty Thousand Twenty Nine and 15/100 US Dollars (\$859,029.15) plus interest.

WHEREFORE, Plaintiffs request that this Honorable Court enter Judgment in its favor against CODA in the amount of Three Hundred Fifty Six Thousand Four Hundred Ninety and 59/100 US Dollars (\$356,490.59) to RLE International, Inc. and Four Hundred Ninety Three Thousand Five Hundred Thirty Eight and 56/100 US Dollars (\$493,538.56) to RTECH Services, LLC, for a total of sum of Eight Hundred Fifty Thousand Twenty Nine and 15/100 US Dollars (\$850,029.15) to Plaintiffs plus interest, attorney fees, and other damages as allowed by law.

Respectfully submitted,  
**SCHWARZ & CO., P.C.**

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Dated: April 25, 2013

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Dated: April 25, 2013